A Report to the Maryland General Assembly

Senate Budget and Taxation Committee

and

House Appropriations Committee

regarding

CSX Intermodal Facility Project
(2011 JCR, pages 37 & 38)

September 2011

The Maryland Department of Transportation

This document provides a status report concerning the CSX Intermodal Facility Project and is prepared in response to 2011 JCR, pages 37 and 38, which states:

> *"Add the following language to the special fund appropriation:*
>
> *, provided that $250,000 of this appropriation made for the purpose of administration of the Secretary's Office may not be expended until the Secretary's Office in the Maryland Department of Transportation (MDOT) submits a report to the budget committees on the potential construction of an intermodal freight facility. The report shall include the following information for any site in Maryland under consideration:*
>
> *(1) an analysis of the traffic impact on the selected route for truck traffic, including State and local roadways;*
> *(2) an analysis of the range of the number of trucks operating on local roadways;*
> *(3) the feasibility of requiring a certain percentage of containers to be delivered to the site by rail compared to roadway;*
> *(4) an analysis of a feasible cap on the number of trucks to the site per hour and per day;*
> *(5) an analysis of the feasibility of accelerating unfunded road projects in the vicinity of the site;*
> *(6) an analysis of the timeframe for the project to be completed once the site is selected;*
> *(7) an analysis of the impact on MARC commuter rail service from increased freight traffic on the railways, as well as the impact on any additional infrastructure improvements on the Camden and New Brunswick lines as a the result of the proposed intermodal facility;*
> *(8) the amount of State direct and indirect subsidy, if any, required for CSX operations beyond the capital expenditures;*
> *(9) how MDOT will create a transparent and open process so that the concerns of the community and governmental agencies will be heard and considered during the site selection process; and*
> *(10) for each site, an analysis shall be done that looks at how to maximize the distance to, and minimize the impacts upon, more densely populated residential areas."*

Introduction

The 2009 Maryland Statewide Freight Plan (Plan) is a multi-modal master plan which outlines policies and projects that promote efficient movement of goods in Maryland. The Plan identified a need for investment in both public and private freight infrastructure throughout Maryland in order to accommodate future population and economic growth and a projected growth in freight demand of 75 percent by 2030. The Plan highlights over $30 billion in projects that resolve

bottlenecks, increase capacity and help foster Maryland's economic competiveness into the future, including the relocation and construction of a new CSX Intermodal Facility Project.
The purpose of the new CSX Intermodal Facility Project [or Intermodal Container Transfer Facility (ICTF)] is to facilitate and support intermodal (truck/rail) freight transportation to relieve highway congestion and to address current and future regional needs for freight distribution. It is critical that a new intermodal facility be located near existing rail, port, airport and highway infrastructure in the Baltimore/Washington D.C. region in order to maximize future economic benefits within the State of Maryland.

The Maryland Department of Transportation (MDOT) and CSX are working together to relocate CSX's existing intermodal facility—currently located at Seagirt Marine Terminal—to a new site south of Baltimore's Howard Street Tunnel. By locating the new facility south of the Howard Street Tunnel, Maryland's freight will be able to access CSX's emerging national double-stack network via CSX's National Gateway Corridor. The vertical height capacity in the Howard Street tunnel currently prevents the movement of double-stacked intermodal containers in and out of Baltimore. In addition, by relocating CSX's largely domestic operations from the Seagirt Marine Terminal to an area of significant domestic freight consumption, the Port of Baltimore will facilitate the appropriate re-use of the Seagirt site to accommodate increased international container traffic expected from the 2014 widening of the Panama Canal. This will strengthen the Port of Baltimore's position as a key port of entry for international shipping and serve Maryland's anticipated freight demand.

Rail intermodal facilities allow for the efficient transfer of freight trailers and containers between trains and trucks. Trucks and highways accommodate the delivery of short-haul goods within the regional market, while trains and railroads more efficiently ship long-haul goods traveling greater distances. The intersection of both trains and trucks at a single facility allows the shipping network to operate more productively and at lower costs, benefitting businesses and consumers.

In March 2011, working with the guidance of the Federal Railroad Administration (FRA) and the Federal Highway Administration (FWHA), MDOT and CSX identified four candidate sites for the new intermodal facility and is assessing these sites following the process dictated by the National Environmental Policy Act (NEPA). The four candidate sites are located in Beltsville, Jessup, Hanover and Montevideo, Maryland. Maps of the four candidate sites are attached.

Beltsville - Prince George's County
- Legislative District 21
- Congressional District 5
- Property east of the CSX mainline and west of MD 201 between Sunnyside Avenue and Powder Mill Road

Hanover - Howard County
- Legislative District 12
- Congressional District 3
- Property north of Hanover Road between the CSX mainline and Race Road

Jessup - Anne Arundel County
- Legislative District 32
- Congressional District 3
- A portion of the property on the Jessup Correctional Institution, east of the CSX mainline between Brock Bridge Road and south of MD 175

Montevideo - Howard County
- Legislative District 13
- Congressional District 3
- Property west of the CSX mainline and north of Montevideo Road

Responses

The following responses to the Budget Committee's questions were developed jointly by MDOT and CSX.

(1) An analysis of the traffic impact on a selected route for truck traffic, including State and local roadways;

and

(2) An analysis of the range of the number of trucks operating on local roadways;

Please see the attached maps for detailed responses to both questions #1 and #2. There is a map of each candidate site showing existing traffic volumes (measured at peak times), the percentage of existing truck traffic and the potential routes for truck access into the ICTF.

The data presented in the maps reflect the existing conditions at each site. As part of the site assessment analysis now underway, future traffic conditions will also be projected and analyzed. Specifically, this analysis will project the impacts on area traffic created by the ICTF. The first step of this effort will be to input the existing traffic data into a regional model that includes background growth; or other development that will occur during a period of time. The next step is to integrate the projected traffic volumes of the ICTF into this regional model. The result will then be the projected impact of the ICTF on the area's traffic. This analysis is being conducted by MDOT and CSX.

After NEPA is completed and a preferred site progressed to the design phase, it will be important to consider whether any roads in the vicinity of the final site should be posted against trucks. This would ensure that trucks utilize access and egress routes appropriate to commercial activity.

(3) The feasibility of requiring a certain percentage of containers to be delivered to the site by rail compared to roadway;

Approximately ten percent of shipping containers received by CSX at the current intermodal facility at Seagirt Marine Terminal come directly from ships calling on the Port of Baltimore; the

rest of the containers arrive by truck or rail. While CSX is committed to providing a shuttle train from the Port to the relocated intermodal facility, the transportation mode of containers in and out of the new facility will ultimately be controlled by CSX's customers. Depending on their specific business needs, some customers will choose rail while others will choose trucks. In general, trucks most effectively accommodate the delivery of goods within a local market while trains more efficiently ship goods travelling longer distances. These decisions are ultimately market-driven.

MDOT is committed to promoting a strong connection between the Port of Baltimore and the new ICTF facility. At a minimum, this will mean the continuation of a regular shuttle train between the Port and ICTF. Given the benefits of delivering Port cargo by rail, including reduced road congestion, improved air quality and reduced roadway wear and tear, it is in MDOT's best interest to work creatively to maximize rail deliveries to the ICTF. This will be accomplished through an ongoing coordination with CSX and the Port of Baltimore utilizing such tools as promoting technological implementation, coordinating marketing efforts and closely monitoring and integrating scheduling.

Working together, MDOT, CSX and the Port of Baltimore will reinforce the natural link between the Port and the ICTF. Doing so will benefit all parties in the form of increased container traffic at both the ICTF and the Port.

(4) An analysis of a feasible cap on the number of trucks to the site per hour and per day;

Similar to the question of requiring a percentage of containers to be delivered by rail, market demand from CSX's customers ultimately determines the number of trucks that will use the ICTF in a given hour or day. This is true at the current operations at Seagirt Marine Terminal, where trucks use the facility when they have a container to pick up or to drop off. Since travel time is a major factor in moving freight by rail or by truck, it would be impractical to limit arbitrarily the number of trucks that could use the ICTF and would have a detrimental effect on the ability to attract long-haul truck shipping to rail.

Caps on the number of trucks entering and exiting the facility per hour or per day could result in an under-utilization of the facility, thereby limiting the State's economic growth potential. The purpose of the new ICTF is to support economic growth and help the State meet future freight demands. Imposing restrictions on the proposed ICTF, such as capping gate volumes and limiting access, would disrupt the service and reliability advantages associated with such a facility. Both rail and trucks are important components of the proposed intermodal facility and must work in conjunction with each other.

Finally, caps on truck access would reduce the ability of the ICTF to maximize congestion mitigation and environmental benefits for Maryland from a double-stack freight rail service. When long-haul shipments go by truck, our roadways become more crowded and our emissions increase. Central Maryland, and especially the I-95 and I-70 corridors, suffers from a severe lack of truck parking facilities for long-haul truckers, leading some to park illegally along our interstate highways. For trucks calling at the new ICTF, hourly or daily caps may result in drivers staging their idling vehicles along local roadways as they await their turn to call on the limited-access facility, a phenomenon seen today near Port facilities prior to the gates opening for morning

business. These emissions, congestion and safety issues are real effects of a proposed cap on truck volumes.

(5) An analysis of the feasibility of accelerating unfunded road projects in the vicinity of the site;

Traditionally, there are four sequential phases of the project development process: planning, design, right-of-way acquisition and construction. Prior to entering the planning phase, some projects may undergo feasibility studies to determine the appropriateness and scope of a full-scale study. Funding is typically only programmed for one phase at a time. Each phase requires the cooperation and support from a number of state, local and federal agencies. The duration of each phase is unique to each project and largely dependent on the complexity of the project, availability of funding and the priority of the project's needs.

MDOT, through the State Highway Administration (SHA), is currently conducting, or has recently conducted, a number of unrelated transportation studies around each of the candidate sites. While these studies were initiated prior to and for purposes unrelated to the CSX Intermodal Facility Project, if progressed through the design and construction phases, some of these projects could yield beneficial effects on future traffic flow in and around the new intermodal facility. See **Table 1** for a list of SHA studies near the four candidate sites.

Table 1: SHA Studies near the Candidate Sites

Project	Phase	Scope	Relevant Site	Status
MD 295 from MD 100 to I-195	Planning	Roadway Widening & MD 295/Hanover Road Interchange	Hanover	Planning complete, awaiting design funding
MD 295 from I-695 to US 50/Washington DC*	Feasibility	Roadway Widening	All	Feasibility study to conclude early 2012
MD 175 from west of MD 295 to MD 170	Planning	Roadway Widening	Jessup, Montevideo	Planning nearly complete, partially funded for design
US 1 from Baltimore County Line to Prince George's County Line	Feasibility	Roadway Widening & US 1/MD 175 Interchange	Jessup, Montevideo	Feasibility study underway
MD 32 from I-97 to I-95	Feasibility	Traffic Analysis	Jessup	Feasibility study underway
MD 201/US 1 from I-95 to North of Muirkirk Road	Planning	Roadway Widening	Beltsville	Planning study on hold since 2008
I-495 from American Legion Bridge to Woodrow Wilson Bridge	Planning	Roadway Widening	Beltsville	Planning study on hold since 2009

*Project leads are Federal Highway Administration and National Park Service. SHA is a project stakeholder.

Along with these unrelated SHA studies, traffic analyses specific to the CSX Intermodal Facility Project are being completed at each of the candidate sites. In the event that these studies show that the current road network will not be adequate to handle traffic effects of a new intermodal facility, measures will be taken to accommodate the projected traffic volume. These measures

may include improved signalization, road widening, construction of turning lanes, or construction of new roads.

Funding for the construction of roadway projects typically comes from a combination of sources, most notably state and federal funds, but local and private funds may also be utilized. Once NEPA has been completed and a preferred site identified, MDOT will work to determine the feasibility of accelerating unfunded roadway projects necessitated by the new intermodal facility. Once a final site is identified, MDOT and CSX will work with the appropriate local, state and federal officials to identify priority projects and secure the necessary funds to construct those improvements. This activity typically occurs during the design phase.

(6) An analysis of the timeframe for the project to be completed once the site is selected;

Following planning and site selection, the ICTF project will enter the design stage. Major tasks in the design stage include completing the detailed site engineering and obtaining the necessary permits and related approvals. Additionally, if state funds will be applied to capital expenditures, those funds would be programmed at this time. The project team anticipates needing approximately 12 months to complete the design phase.

The acquisition of additional right-of-way is anticipated from public and/or private property owners in order to construct the new CSX Intermodal Facility. The timeframe for these activities will depend on the location of the final site. However, the project assumes 6 to12 months for right-of-way acquisition. It should be noted that right-of-way acquisition may overlap with the design and even planning phases.

Construction may begin once the final design has been completed, permits approved and the property assembled. It is estimated that construction of the new ICTF will take approximately 18 to 24 months. Like all construction projects, this may vary based on seasonal weather conditions during construction.

Given the time frames described above, it will likely take 2 to 4 years to complete the project once the final site is selected.

(7) An analysis of the impact on MARC commuter rail service from increased freight traffic on the railways, as well as the impact on any additional infrastructure improvements on the Camden and New Brunswick lines as the result of the proposed intermodal facility;

The construction and long-term operation of the new ICTF is expected to have positive long-term beneficial and minimal short-term adverse impacts to MARC service.

Beneficial long-term impacts on both the Camden and Brunswick lines of MARC commuter service will be enabled from the ability to double-stack freight intermodal cars, allowing CSX to double the freight capacity of the lines without the addition of new or longer freight trains that could delay or constrain commuter operations. Other beneficial impacts to both lines could be accelerated through-put of trains, on-time performance and other service enhancements resulting from additional investment in the CSX mainline corridor. Another benefit for Maryland is the

option for MDOT to add up to four mid-day commuter trains on the Camden line to meet service and staging needs on the line (implementation of these trains depends on MDOT's ability to cover the service costs to operate these additional trains and with respect to two trains, on the completion of a few infrastructure improvements).

As the project progresses through planning and design, the project team will identify any potential adverse impacts and work to ensure that temporary and permanent impacts are kept to a minimum. Impacts to MARC operations during construction are expected to be minimal. While construction of the new ICTF is expected to take between 18 and 24 months, work will largely be confined within the facility footprint and away from the existing Camden Line tracks. Site grading, internal track construction, internal roads placement and crane installation can all be completed without impacting MARC service. The track tie-ins that link the new intermodal facility to the existing mainline will require minor modifications to the Camden Line tracks. It is expected that the tie-in work can occur over the course of a couple days and can likely be completed during hours when MARC trains do not operate, or operate less frequently.

Potentials impacts to MARC operations once the new CSX Intermodal Facility opens will continue to be evaluated during the planning and design phases. An important consideration when evaluating potential impacts to MARC is the location of MARC stations in relation to the new CSX Intermodal Facility. **Table 2** shows the candidate sites in relation to the closest northern and southern MARC stations. Future analysis will focus on potential impacts at each of the MARC stations highlighted in Table 2.

Table 2: Proximity of MARC Stations to CSX Intermodal Facility Candidate Sites

Site	Estimated Milepost Limits for Facility*	Northern MARC Station		Southern MARC Station	
		Name	Milepost	Name	Milepost
Hanover	9.5 to 13.4	St. Denis	6.8	Dorsey	13.3
Montevideo	13.4 to 16.0	Dorsey	13.3	Jessup	15.8
Jessup	15.8 to 17.6	Jessup	15.8	Savage	18.1
Beltsville	25.5 to 28.5	Muirkirk	24.9	Greenbelt	28.9

* Includes track leads into facility

Per an existing Access Agreement, between MTA and CSX any additions, subtractions or changes in the schedule must be with the concurrence of both parties. Any impacts the final intermodal location would have on MARC stations or service will be addressed in accordance with the Access Agreement on an ongoing basis.

(8) The amount of State direct and indirect subsidy, if any, required for CSX operations beyond the capital expenditures;

In May 2009, MDOT and CSX executed a Memorandum of Understanding (MOU) that outlined each party's roles and responsibilities as they relate to the development of the new facility. Under the terms of the MOU, MDOT is not responsible for any non-capital expenditures. The MOU states that CSX and MDOT will fund the new terminal on a 50/50 share, up to a maximum amount

of $150 million. It was also acknowledged that MDOT would pursue federal funding for its matching share, which was capped at $75 million. Should federal funds not cover the entire $75 million public share, MDOT will program state capital funds for the difference once a preferred site is identified. No commitments have been made that would require the State to support the ongoing operations of the ICTF.

(9) How MDOT will create a transparent and open process so that the concerns of the community and governmental agencies will be heard and considered during the site selection process; and

MDOT and CSX are committed to an open and transparent process that includes multiple opportunities for input and public participation from communities and government agencies. Since federal funding and participation is anticipated, MDOT is following the environmental review and site selection process established by the National Environmental Policy Act of 1969 (NEPA). NEPA is a federal law that establishes protection of the environment as a national priority and mandates that environmental impacts be considered when undertaking federal actions. The NEPA process mandates several steps to identify and evaluate a number of project alternatives and their potential impacts on the environment. Public involvement and stakeholder coordination is encouraged during all stages of this process.

MDOT and CSX are using a variety of methods to engage the public and project stakeholders. To date, the project team has used the following outreach strategies.

- On March 24, 2011, MDOT launched a project website (www.intermodal.maryland.gov). The website includes extensive background information related to the project. The website is updated regularly as new information becomes available.

- MDOT has enabled the public to sign-up to for distributions from an email mailing list for information related to the ICTF including announcements regarding upcoming public workshops, website updates and other project related news. Email updates are typically sent out on a monthly basis.

- In March 2011, MDOT mailed postcards to approximately 19,000 property owners within one mile of each of the four candidate sites. These postcards included project background, the website address and information regarding three April 2011 public workshops.

- In April 2011, MDOT mailed project newsletters to 19,000 property owners within one mile of each of the four candidate sites. The newsletter contained additional project background information and mapping of each of the four candidate sites. In April 2011, MDOT placed ads in the *Baltimore Sun, Washington Post, Howard County Times, Columbia Flier, Capital Newspaper* and *Prince George's County Gazette* announcing the project and three April 2011 public workshops.

- In April 2011, MDOT and CSX hosted three public workshops to introduce the project to the public and allow them to ask questions and provide comments to the project team. In total, over 450 people attended the workshops. Comment cards were available for those who wanted to leave comments during the workshops. Additionally, self-addressed stamped envelopes were available so that attendees could mail in their comments. MDOT offered a 30-day comment period for those that wanted to submit comments following the workshops. In September 2011, MDOT posted a final report to the project website that summarized the April workshops and provided responses to the questions and comments received during the comment period. Comments provided after the 30-day comment period continue to inform the overall project analysis process.

- MDOT has established a project email address (intermodal@mdot.maryland.gov) and a project hotline (410-684-7056) so that members of the public may directly contact a project representative.

- MDOT and CSX have made approximately 20 presentations to various community groups and citizen associations, as well as local, state and federal agencies. Each presentation has been followed by a question and answer session to address stakeholder's concerns.

- A second round of public workshops is currently being planned for the fall of 2011, which will allow the public the opportunity to comment on the project's Purpose and Need statement and environmental data collected to date. Similar means of public notification that were used for the April workshops will be used for the fall workshops.

- Consistent with federal NEPA requirements, MDOT and CSX will compile all the project-related studies into a document that will require approval from the lead federal agency prior to the start of final design and construction. Before the final NEPA document is approved, the public will have the opportunity to review and comment on the findings of the draft document. A formal public hearing will also be held at this time. Public comments on the draft document will need to be fully addressed before the lead federal agency makes a determination of final approval on the NEPA document.

(10) For each site an analysis shall be done that looks at how to maximize the distance to, and minimize the impacts upon, more densely populated residential areas.

As part of the site evaluation process, MDOT and CSX have inventoried residential properties within ¼ mile and ½ mile radii from the four candidate sites. See **Table 3** for the results of this inventory.

Table 3: Number of Residential Properties Located Near the Candidate Sites*

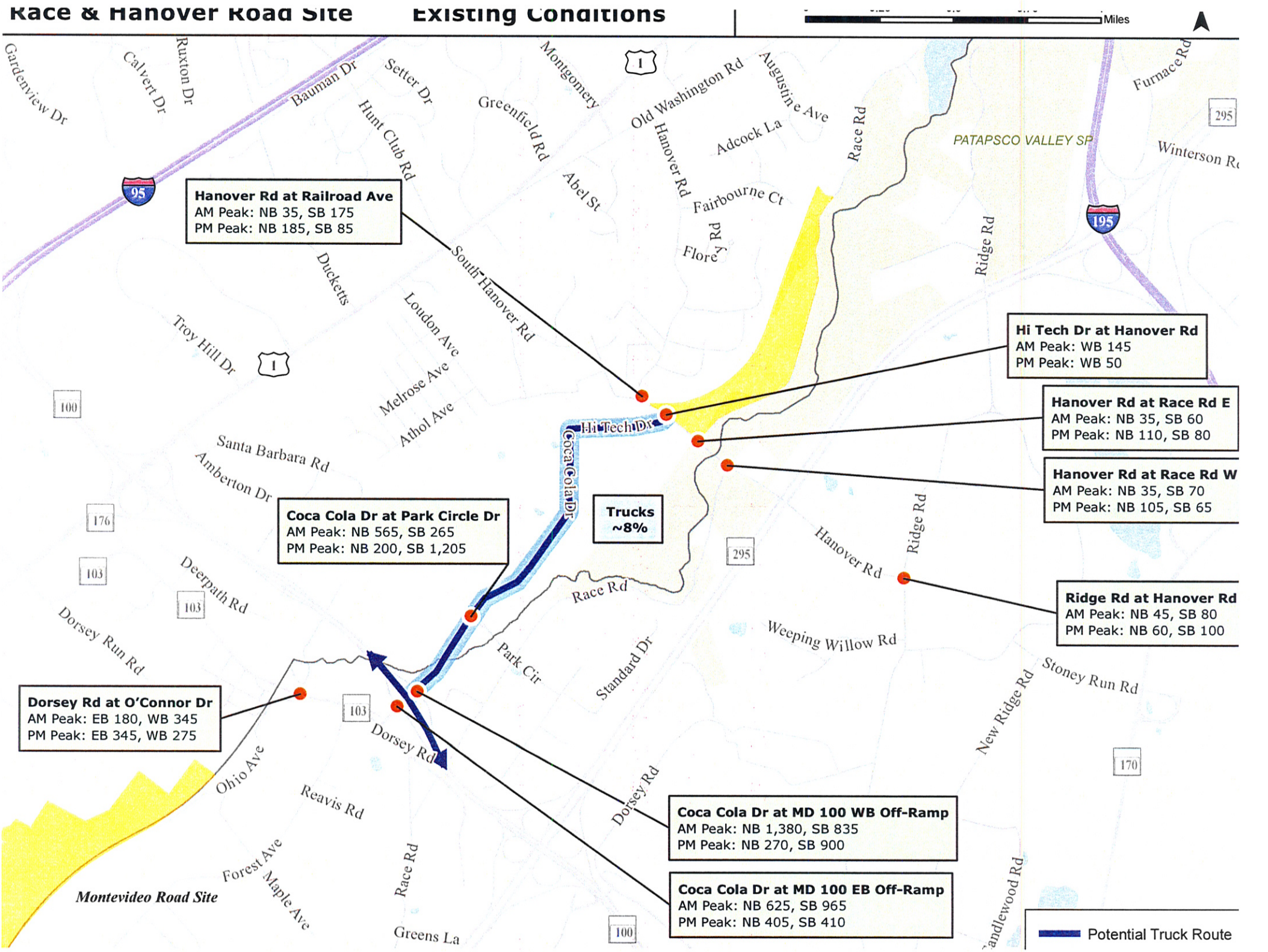
	Beltsville	**Hanover**	**Jessup****	**Montevideo**
Within ¼ mile	157	353	1	112
Within ½ mile	596	792	66	425

*These numbers were calculated using GIS property data and aerial photography. All numbers are approximate and subject to field verification.
**This site is located immediately adjacent to a state run prison complex that currently houses approximately 5,000 inmates.

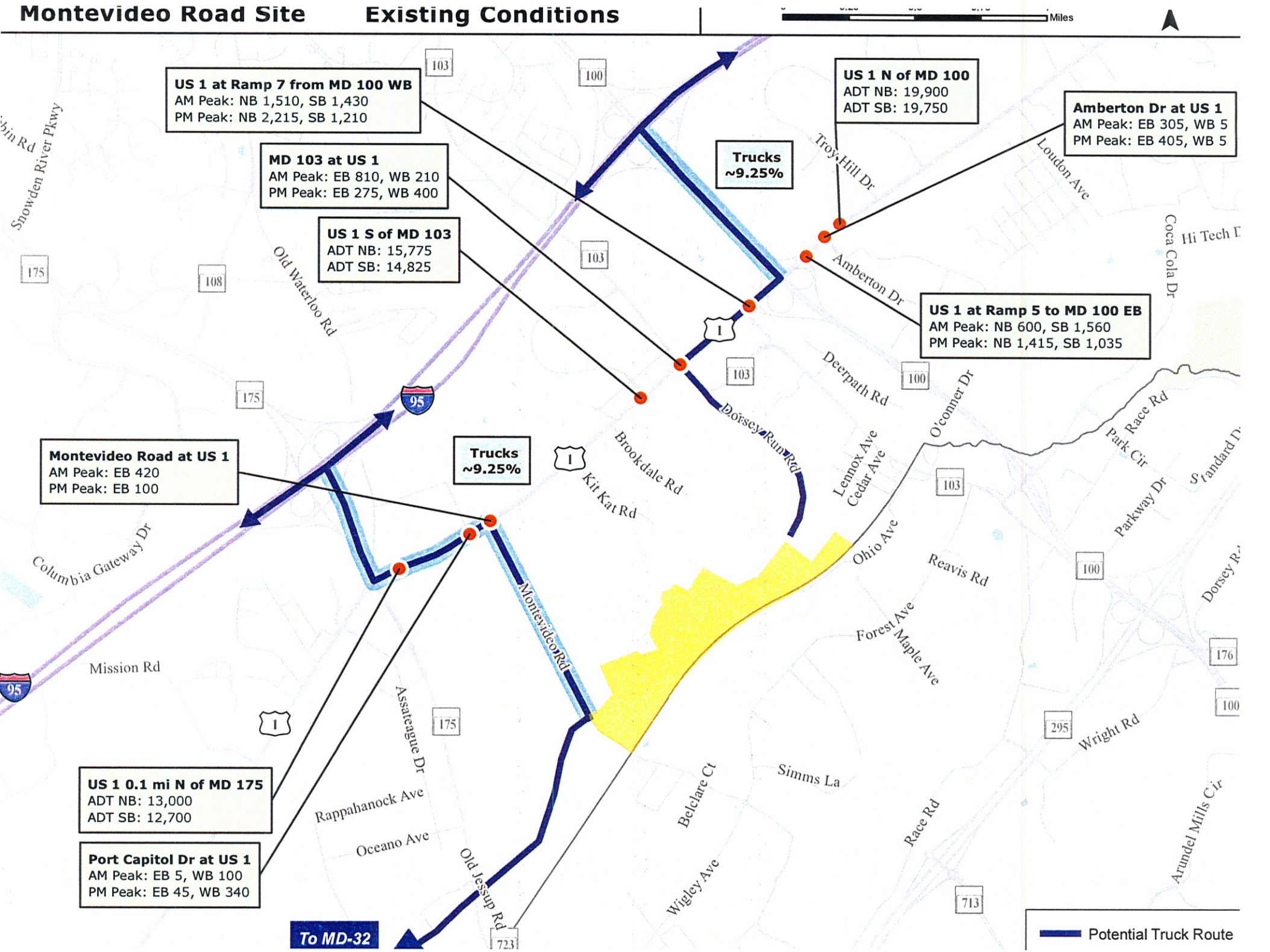
MDOT and CSX are currently developing preliminary site plans for the candidate sites and have pledged to design the sites to provide the maximum possible setback from residential properties (while taking into account site and engineering limitations). Proximity to residential properties will be one of the many environmental and community considerations that MDOT and CSX take into consideration when identifying the preferred alternative for the new intermodal facility. As planning and design continues, MDOT and CSX will investigate mitigation measures to further minimize potential impacts upon residential properties. Potential mitigation may include the incorporation of plantings, vegetative screening, facility operational restrictions and other appropriate measures.

Next Steps

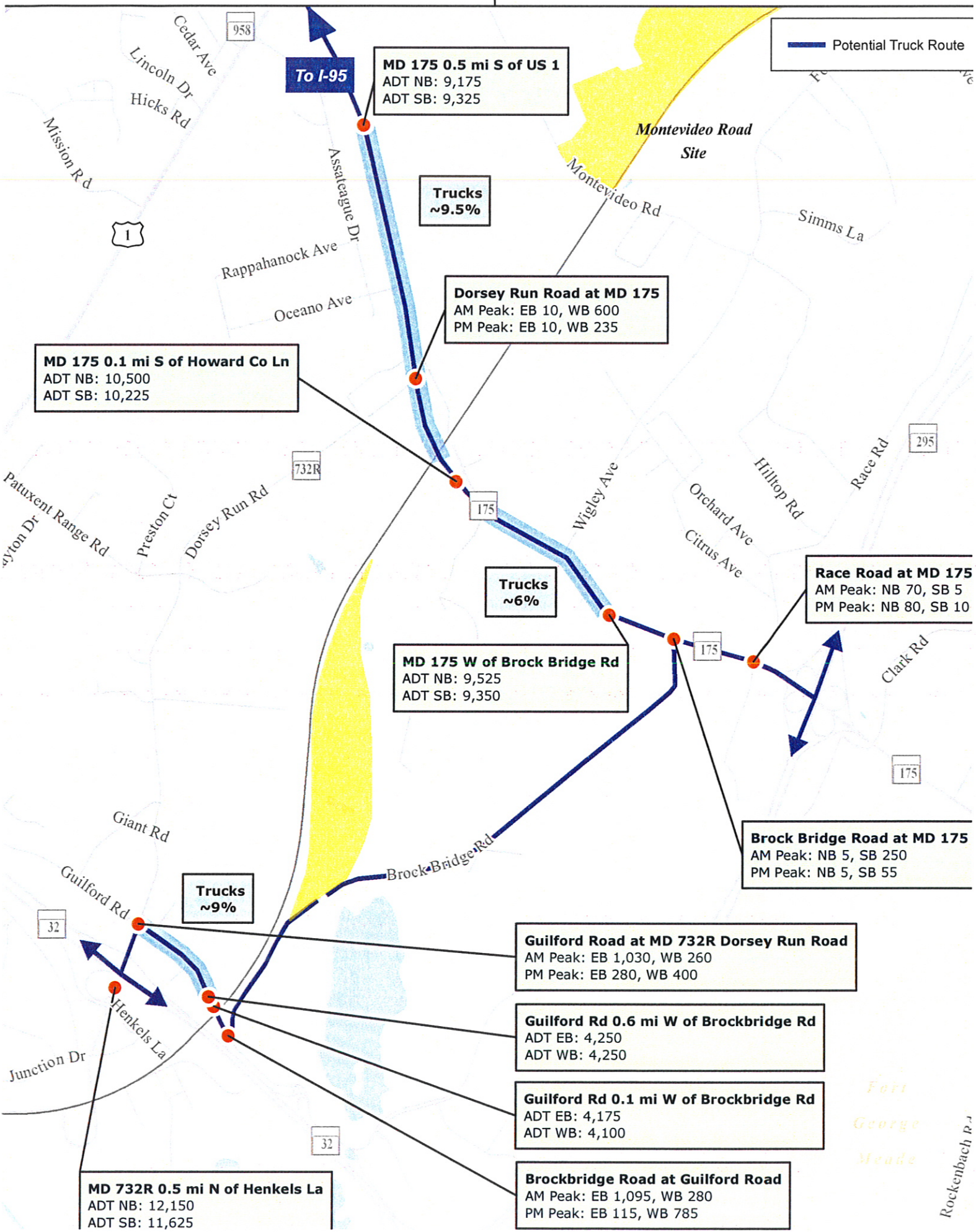
This report responds to the Chairmen's request for an update on the status of the proposed intermodal freight facility and provides specific analysis on key issues associated with the siting of a facility. Those issues focused on truck traffic, the timing of improvements at and around a facility, and the potential impacts on MARC and surrounding communities. As the NEPA process continues, further analysis will be conducted to evaluate potential impacts to resources such as wetlands, streams, floodplains, air quality and historic properties. Once the NEPA documentation is complete and a federal agency has signed off on the preferred alternative, design work will be done in coordination with citizens, businesses, elected officials and other stakeholders in the area of the future facility to achieve an outcome that takes into consideration the impacts, interests and needs of the community and users. The Department will continue to work openly and transparently on this process and project and welcomes additional inquiries by the Budget Committee, other leadership and members of the General Assembly with respect to this critical project.


Race & Hanover Road Site
Existing Conditions
Miles
Hanover Rd at Railroad Ave
AM Peak: NB 35, SB 175
PM Peak: NB 185, SB 85
Hi Tech Dr at Hanover Rd
AM Peak: WB 145
PM Peak: WB 50
Hanover Rd at Race Rd E
AM Peak: NB 35, SB 60
PM Peak: NB 110, SB 80
Hanover Rd at Race Rd W
AM Peak: NB 35, SB 70
PM Peak: NB 105, SB 65
Coca Cola Dr at Park Circle Dr
AM Peak: NB 565, SB 265
PM Peak: NB 200, SB 1,205
Trucks ~8%
Ridge Rd at Hanover Rd
AM Peak: NB 45, SB 80
PM Peak: NB 60, SB 100
Dorsey Rd at O'Connor Dr
AM Peak: EB 180, WB 345
PM Peak: EB 345, WB 275
Coca Cola Dr at MD 100 WB Off-Ramp
AM Peak: NB 1,380, SB 835
PM Peak: NB 270, SB 900
Coca Cola Dr at MD 100 EB Off-Ramp
AM Peak: NB 625, SB 965
PM Peak: NB 405, SB 410
Montevideo Road Site
Potential Truck Route
PATAPSCO VALLEY SP
Hi Tech Dr
Coca Cola Dr
Race Rd
Hanover Rd
Ridge Rd
Dorsey Rd
Park Cir
Standard Dr
Weeping Willow Rd
Stoney Run Rd
New Ridge Rd
Old Washington Rd
Augustine Ave
Adcock La
Fairbourne Ct
Florey Rd
Abel St
Greenfield Rd
Montgomery
Hunt Club Rd
Setter Dr
Bauman Dr
Ruxton Dr
Calvert Dr
Gardenview Dr
Furnace Rd
Winterson Rd
South Hanover Rd
Ducketts
Loudon Ave
Melrose Ave
Athol Ave
Troy Hill Dr
Santa Barbara Rd
Amberton Dr
Deerpath Rd
Dorsey Run Rd
Ohio Ave
Reavis Rd
Forest Ave
Maple Ave
Greens La
Sandlewood Rd
95
195
295
1
100
176
103
170

Montevideo Road Site — Existing Conditions



Jessup Site Existing Conditions



Beltsville Site Existing Conditions